UNITED STATES OF AMERICA BEFORE FEDERAL COMMUNICATIONS COMMISSION

In The Matter Of "FCC Rules and Regulations Implementing the Telephone Consumer Protection Act of 1991 -

CG Docket No. 02-278

COMMENTS OF MEYER ASSOCIATES, INC.

INTRODUCTION

We are a company based in St. Cloud, MN who uses/operates telemarketing and direct mail centers. We currently have 3 centers that employ over 400 people. We represent companies like the Wall Street Journal, Cahners Business Publications, Newsweek, McGraw Hill, Dollars for Democrats®, and many more. Our company donates 2% of our profits to local charities and many employees are on non-profit boards in our community. We are writing to offer our comments concerning the proposed revisions to the Telephone Consumer Protection Act of 1991.

We support the recent efforts of the FCC to investigate and eliminate fraud in the industry and support the original Telephone Consumer Protection Act. However, we cannot support the revisions proposed by the Commission in this proceeding. The proposed revisions place many burdensome restrictions on the thousands of companies like ours that have ethically used the telephone as a legitimate sales and marketing tool. For the reasons set forth below, we are concerned that the FCC's attempts will do nothing to curtail the abusive and deceptive telemarketing practices of a few bad actors, but will penalize the business practices of reputable companies and will have a disastrous impact on our company's ability to continue to conduct ethical and legal telemarketing programs.

In particular, we oppose the following provisions proposed by the FCC:

(1) Creation of a National Do-Not-Call Registry:

- A.) Federal law already provides an easy an efficient means for consumers to remove their names from telemarketers Do-Not-Call lists. But in contrast to the proposed FCC registry, the existing DNC system empowers consumers to make their own decisions. Consumers and consumers alone are given the authority to determine which calls they will accept and which they will block. While the FCC contends that it will offer consumers a similar program through the ability to list companies they will accept calls from, that is clearly an unrealistic option that will cost the FCC too much money to operate and also limits free speech.
- B.) The industry has also attempted to provide consumers with a one-stop service to remove their names from all calling lists. The DMA's Telephone Preference Service offers consumers an easy, free, nationwide Do-Not-Call system that has already been created, all legitimate companies currently use this service and it will not require additional money to be expended by the FCC. It will cost our company to change all of our systems.
- C.) The states have already moved to address any perceived loopholes in the existing Do-Not-Call framework. Now 32 states have DNC lists and more are being added as we speak. The states, which are in the best position to offer solutions to the concerns raised by their citizens, have looked at this situation and acted in a way that is appropriate for their constituents. The FCC's list is another waste of taxpayer money to provide a service that is already offered to most of American citizens.
- D.) The impact of such a list would have a disastrous effect on the number of people that we employ. Our company/business exists because consumers use and respond to telemarketing. While many may complain about the business of telemarketing (a very small percentage), there is no denying the numbers generated. We follow the appropriate state and federal laws, we honor consumer do-not-call requests and we had sales in excess of \$10,000,000 last year. If the national DNC registry is established it is likely that we will see as many as 50% of our employees laid off.

(2) **Blocking of Caller ID**

A.) While we support the concept of a prohibition on blocking Caller-Id, it must be clear that the prohibited practice is the deliberate manipulation of the caller-Id signal. As long as no overt actions are taken to disrupt

the information, there is no violation. Currently, T-1 technology costs to upgrade equipment to be able to do this is too costly.

(3) **Predictive Dialers**

A.) Predictive dialing devices are used by many telemarketing companies and make operation of such businesses much more cost effective by increasing productivity. Increased efficiency in marketing products and services over the phone through the use of predictive dialers helps to reduce costs and ultimately saves consumers money and creates more jobs. Any regulation that would render this technology unusable would result in significant, perhaps unacceptable, cost increases to business and, ultimately, the consumer. In our case, we would most likely go Bankrupt due to the extreme cost of the equipment. This would be like telling Direct Mail companies they can't send mail using current technology or telling Internet companies that they can't provide send emails. Any regulation on Predictive dialing would severely hurt many of the tens of thousands of companies that own them

We certainly respect the time the Commission has invested in studying these issues and its commitment to continue modifying these proposals. We urge the Commission to look at the overall negative impact that these proposals will have on jobs, our community and the economy as a whole. We also feel that better enforcement of current legislation would have a greater impact on Telemarketing companies that don't operate according to the law. Thank you for your consideration and we would be happy to assist the Commission in the future.

Thomas Caprio President Meyer Associates, Inc.

4/24/03